

No. 1 Capitol District Building 250 South Hotel Street, Suite 508 P.O. Box 2359 Honolulu, Hawaii 96804 Phone: (808) 538-3830

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

Monday, 13 June 2016

#1 Capitol District Building, 250 South Hotel Street, Room 436, Honolulu, HI 96813

MINUTES

PRESENT

H. Brian Moore, Chair Keiki-Pua Dancil, Vice Chair Jon Wallenstrom Fred Hemmings Mark Tsuda James Moonier Michael O'Malley Craig Nakanishi

Mary Alice Evans

EXCUSED

Ann Chung

STAFF

Karl Fooks, President Sara Lin, Associate Dawn Apuna, DAG

GUESTS Robbie Melton

- CALL TO ORDER: Meeting called to order by the Chair at 10:04 AM.
- 25 April 2016 MEETING MINUTES: All Minutes were approved.
- Report on Non Quorum Meeting June 6, 2016:
 - Chair Moore reported that the scheduled board meeting on June 6, 2016 was not an official board meeting due to lack of quorum. The members present at that meeting decided to hear presentations from the invited guests. A summary of the presentations was circulated to the board members.

mbloom Fund I GP:

- The Board voted to go into executive session at 10:10 AM to hear proprietary information on contract issues and portfolio company financials.
- The Board voted to exit executive session at 10:45 AM.
- DECISIONS: The board unanimously approved accepting the resignation of mbloom Ventures LLC as the GP of mbloom Fund I and the appointment of Snap Ventures, LLC (renamed Reef Capital Ventures), managed by Lauren Primiano, as the new GP.

Legislative Agenda:

 The President reported that HSDC was appropriated an additional \$1 million for the HI Growth Initiative in the 2017 Budget. A plan for utilizing these funds will be presented at the next board meeting.

FY2017 Operating Budget:

- The President presented the proposed Operating Budget for FY 2017 that begins on July 1, 2017.
- DECISIONS: The Board unanimously approved the FY 2017 Operating Budget.
- Connect and Network Program

- An overview of the FY 2016 Connect and Network Program was presented. Approximately \$220,000 of the \$250,000 budgeted amount will be spent in FY 2016 supporting events like the various Startup Weekends, the East Meets West, Maui Tech Night, GVS All Access, and other events that connect entrepreneurs with investors and collaborators.
- The President proposed that \$250,000 be authorized for the FY 2017 Connect and Network Program. The target events will be similar to the past year's events and the procurement method will remain the same.
- Chair Moore asked if there was adequate cooperation between HSDC and HTDC on the
 event sponsorships to avoid unnecessary overlaps. HSDC Associate replied that the
 approval process involves a review committee made up of HTDC, DBEDT and HSDC
 personnel so that each group is aware of the events requesting sponsorships.
- DECISIONS: The board unanimously approved a \$250,000 allocation of HI Growth funds for the FY 2017 Connect and Network Program.

Hydrogen Investment Capital Special Fund:

- The President reviewed the proposal from NELHA requesting \$122,000 from the Hydrogen Investment Capital Special Fund to support the construction and operation of a pilot hydrogen production and dispensing station on the NELHA campus.
- DECISIONS: The board unanimously approved a \$122,000 disbursement from the Hydrogen Investment Capital Special Fund to NELHA for the purpose of completing the construction and operations of a pilot hydrogen production and dispensing station on the NELHA campus.

Distribution from HSDC Capital Fund to HSDC:

- The President presented a proposal to distribute \$212,162.33 from HSDC Capital Fund back to the HSDC Revolving Fund. This represents investment income earned by HSDC Capital Fund and will reduce bank balances to within insured limits and provide funding for HSDC operating expenses.
- DECISIONS: The board unanimously approved a distribution of \$212,162.33 from HSDC Capital Fund back to the HSDC Revolving Fund.
- MEETING ADJOURNED: Meeting adjourned at 11:00 AM.

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